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## Will The Stars Still Come Out In Michigan?

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State Senator Nancy Cassis, R - Novi: "It's all about jobs. And we want to see permanent jobs here."

Some state senators want to cut the tax incentives for movie makers coming to Michigan.

The incentives have been in place for nearly a year, and they're credited with bringing dozens of film makers and millions of dollars into the state.

But some lawmakers say those tax credits are too costly and don't create permanent jobs.

Ann Emmerich tells us what they're proposing.

Film makers are flocking to Michigan looking to take advantage of the best deal in the nation: a more than 40% tax credit on production costs.

Right now, there's no limit to the amount the state can dole out every year - and some state senators say that's irresponsible.

State Senator Nancy Cassis, R - Novi: "We can't afford an open wallet that has no limits whatsoever because then we can't do other things."

Senator Nancy Cassis is one of the sponsors of the legislation that calls for:

- \* A \$50 million cap on payouts
- \* A seven percent cut in the tax credit - from 42% to 35%
- \* And a requirement that movie makers hire 90% of their workers from Michigan

State Senator Nancy Cassis, R - Novi: "It's a win-win. It keeps the credit, it continues to invite our Hollywood producers to look at Michigan first, but also be responsible to all other taxpayers."

The state's film office says the tax credits are just beginning to pay off.

They say last year the credits lured 35 films, 2,800 jobs, and \$125 million to local economies at a price tag of \$48 million.

But Senator Cassis says the state is losing money with every film and it's time say "cut."

State Senator Nancy Cassis, R - Novi: "We receive only 11 cents back for every dollar that is going out in these credits. So we had to be responsible."

Now it's up to lawmakers to decide if they want to change Michigan's movie tax incentives.

And that debate is already underway.

Governor Jennifer Granholm says she supports the current tax credits for filmmakers.

She says the credits are part of a much larger plan to diversify Michigan's economy, and they're working.